

**§ 58.227 For what purposes may grant funds be spent?**

(a) A grantee shall only spend funds it receives under this subpart according to the approved application and budget, the authorizing legislation, terms and conditions of the grant award, applicable cost principles in subpart Q of 45 CFR part 74, and these regulations. Use of traineeship funds to meet the direct or indirect administrative costs of the training institution is not authorized.

(b) Grantees may not spend grant funds for sectarian instruction or for any religious purpose.

**§ 58.228 Who is eligible for financial assistance as a trainee?**

To be eligible for a traineeship, an individual must meet the following conditions:

(a) The individual must be a resident of the United States and either a citizen or national of the United States, an alien lawfully admitted for permanent residence in the United States, a citizen of the Commonwealth of the Northern Mariana Islands, a citizen of the Republic of Palau, a citizen of the Republic of the Marshall Islands or a citizen of the Federated States of Micronesia.

(b) The individual must be accepted for enrollment, or be enrolled in a grantee's accredited graduate program in health administration, hospital administration, or health policy analysis and planning;

(c) The individual may not be receiving concurrent support for the same training from another Federal source except education benefits under the Veteran's Readjustment Benefits Act.

[45 FR 73658, Nov. 6, 1980, as amended at 49 FR 21536, May 22, 1984. Redesignated and amended at 61 FR 6131, Feb. 16, 1996]

**§ 58.229 What financial support is available to trainees?**

(a) The grantee may use grant funds to pay for:

(1) Tuition and fees, in accordance with the established rates of the institution except as limited by the Secretary;

(2) Stipends, for full time trainees in whatever amount the grantee determines that each trainee needs to pur-

sue the training program, as long as that amount does not exceed the limits established by the Secretary;

(3) Transportation allowances on an individual basis when prior approval has been obtained from the Secretary in the following circumstances:

(i) In cases of extreme need, the grantee may pay a trainee an allowance from grant funds for travel from his or her residence to the training site.

(ii) The grantee may pay a trainee an allowance from grant funds for travel to field training if the site is beyond a reasonable commuting distance and requires the trainee to establish a temporary new residence. However, the grantee may not pay an allowance for daily commuting from the new place of residence to the field training headquarters.

(iii) The grantee may pay a trainee an allowance from grant funds for domestic travel to conduct research to meet dissertation requirements.

(b) The grantee may not give a stipend or allowance to a part-time trainee, but may give a traineeship award to pay a part-time trainee's tuition and fees.

[45 FR 73658, Nov. 6, 1980. Redesignated at 61 FR 6131, Feb. 16, 1996]

**§ 58.230 Duration of traineeships.**

A traineeship must be for a full academic year except that an appointment for less than a full academic year may be made to a student who will complete his or her program of study in a lesser time or when joint-degree programs require enrollment at another unit of the grantee institution for part of the academic year. A traineeship may not exceed 12 months in duration. However a grantee may make consecutive or subsequent traineeship appointments to students whose required program of study exceeds 12 months. The training for which a student receives a traineeship must begin during the period for which funds are made available, but may extend beyond that period.

[45 FR 73658, Nov. 6, 1980. Redesignated at 61 FR 6131, Feb. 16, 1996]